

"non-discriminatory" rate to other carriers. (15-16)

CMRS/CMRS interconnection:

The imposition of CMRS-to-CMRS interconnection could adversely affect the development, growth and expansion of competitive CMRS and other networks. Only when there is no longer a monopoly network does the need for uniform direct connection policies arise. (17)

CMRS resale obligations:

Opposes obligating cellular or PCS systems to make their facilities available to switch-based resellers. There is no consumer benefit that can be realized by disaggregating cellular switching and transport functions. Forcing non-LEC CMRS providers to allow reseller interconnection, along with a draconian cost and facility disaggregation regime, will prevent these systems from competing with the local loop. Local exchange competition should be the FCC's first priority. (18)

Attachment: Study of interconnection and mutual compensation with partial competition by Gerald W. Brock

COX ENTERPRISES, INC.

Interest: Diversified telecommunications company with interests in cable television, wireless communications, and competitive access providers.

Equal access:

- Opposes the imposition of equal access obligations on CMRS providers because public interest benefits do not outweigh the costs of equal access. Further, non-BOC CMRS providers have no market power, and competition ensures that no IXC is disadvantaged. (13-15)

LEC/CMRS interconnection:

- Urges the FCC to take a more active role in ensuring that LECs do not use bottleneck control over local exchange facilities to hinder competition among PCS providers, as current rules do not sufficiently restrain the ability or the incentive of LECs to forestall local competition. (4-8)
- A mutual compensation requirement alone is insufficient to ensure that interconnection rates are reasonable, nondiscriminatory, and cost-based. (8-10)
- Because LECs are not subject to competition in the local exchange market, it is clear that some form of filing requirement is necessary for LEC-CMRS interconnection. (11)
- Although a tariff requirement would facilitate detection of unreasonable rates and discrimination, the FCC's experience with expanded interconnection demonstrates the danger in relying solely on tariff review when the carrier filing the tariff has no incentive to cooperate. (12)
- In conjunction with its proposals that interconnection agreements be filed with the FCC and that all such agreements contain a "most favored nation" clause, the FCC should establish a mechanism for prompt review of LEC interconnection rates upon request of a CMRS provider. (12)
- The FCC should establish guidelines for such review now, and these guidelines should include unbundling

requirements and delineation of permissible overhead loadings. (13)

- Interconnection tariffs filed at the state level should be made available to the FCC. (13)

DAKOTA CELLULAR, INC.

Interest: Nonwireline cellular carrier.

Equal access:

Cellular equal access:

- Opposes the imposition of equal access requirements upon independent cellular providers for the following reasons:
 - There are no historic or other public policy justifications for imposing equal access upon independent cellular providers, as independent cellular carriers do not directly control local exchange facilities. Moreover, the competitive status of the mobile services marketplace does not justify the imposition of the burden that equal access would create. (2)
 - Equal access will impose large (and unwarranted) costs on both independent cellular operators and consumers. The costs of implementing and maintaining equal access will be significant and independent carriers lacking substantial financial resources will be forced to pass such costs on to consumers or go out of business. Equal access would also foreclose the ability of independent cellular carriers to obtain volume discounts from IXCs. (3)
 - Equal access will stunt the development of the independent cellular industry by discouraging investments in seamless wide-area systems, creating disincentives for further improvements, and hampering cellular operators' ability to compete against other wireless providers. (3-4).
 - Equal access will yield no countervailing public policy benefits, as imposition will decrease investment in and upgrading of cellular networks. In addition, most evidence suggests that cellular customers do not desire equal access. (4)

DCR COMMUNICATIONS, INC.

Interest: Minority and women-owned telecommunications company planning to bid for PCS licenses in entrepreneur block auctions.

- Future telecommunications will feature many competing carriers offering many kinds of services. The differences between local telephone, long distance and mobile systems will fade and customers will demand the right to switch between carriers and services. Equal access and equal interconnection will become virtually indistinguishable. To prevent fragmentation, databases of all carriers that contain the location, billing, service and carrier selection information of customers must be accessible to all other carriers. Equal access will have to be phased in over a period of years, but the FCC should mandate it now so that the industry begins to develop the necessary standards. Interconnection should be an automatic right and obligation of all carriers offering service to the public. States should be pre-empted from any regulation of interconnection among carriers, and the FCC should create a task force to establish national standards for interconnection, a uniform rate structure based on actual costs, and a rational means of distributing the costs of interconnection. (3-13)

DIAL PAGE, INC.

Interest: Provider of PLMS, PCP, and SMR service.

Equal access:

- Opposes equal access requirements for all CMRS providers because the concerns which prompted the imposition of equal access upon LECs and BOC-affiliated cellular licensees do not arise with respect to CMRS providers. The number of CMRS providers in the market ensure that IXCs have access to end users and vice versa. (2)

Equal access for other CMRS providers:

- Should the FCC decide to impose equal access upon CMRS providers, Dial Page urges the FCC not to impose equal access upon traditional, analog SMR providers for the following reasons:
 - The traditional SMR operator would be unable to comply with equal access requirements because its equipment is not "high-tech" enough and interconnection equipment with equal access capability is not available. Even if SMR operators could procure such equipment the costs of implementing equal access would far exceed benefits to customers. (3)
 - Most SMR operators providing interconnection service have never had requests for a specific IXC. (3-4)
- Additional costs and administrative burden resulting from the imposition of equal access could delay or defeat the initiation of new ESMR systems. Costs incurred in meeting equal access requirements would ultimately be borne by customers and would make EMSR providers less competitive. (4-5)

Implementation:

- Should the FCC mandate equal access, Dial Page recommends that the FCC restrict the obligations which CMRS providers must meet. (3)

- Further recommends that the FCC postpone the imposition of equal access obligations upon ESMR operators until ESMR operators have developed the necessary equipment to provide such access. (3, 5)
- Favors phase-in of equal access requirements for orderly conversion and to permit ESMR operators to obtain the financing necessary to implement equal access. (5)

LEC/CMRS interconnection:

- Although Dial Page may not have sufficient market power to effectively negotiate with LECs, it nevertheless believes that the imposition of tariffs may result in higher rates for consumers due to filing costs. Further, tariffs may not permit flexibility in interconnection arrangements. (6)
- Recommends that the FCC modify the current system by requiring that contracts between LECs and CMRS providers be filed with the FCC. (6)

E.F. JOHNSON COMPANY

Interest: Designer and manufacturer of radio communications and specialty communications products.

Equal access:

Equal access for other CMRS providers:

- Local SMR systems should be exempt from equal access obligations. To the extent that the Commission does impose equal access requirements on CMRS providers, the providers should be similar to cellular licensees. Of the Part 90 licensees, only wide area SMR systems are similar to cellular systems. (3)
- All CMRS providers, except cellular licensees, lack market power. Applying equal access to entities that lack market power is against the public interest. (3-4)
- The rationale for imposing equal access obligation on wide area SMR systems is inapplicable to local SMR providers. Local SMR licensees do not exhibit the same capabilities of cellular systems. Moreover, SMR facilities have been in operation for almost 20 years. Imposition of new technical configurations on these systems will impose severe financial hardship. (4-5)

Implementation:

- If the Commission does impose equal access obligations on local SMR licensees, these obligations should require as little modification as possible to existing systems. Any obligations should not be identical to those imposed on cellular carriers. (5)
- Local SMR providers should be provided with as much time as possible to meet any obligations. (5)
- CMRS licensees that lack market power and do not compete with cellular should not be required to hand off calls to an IXC anywhere within their service area. It is infeasible to determine when a call will cross an arbitrary boundary within its service area for purposes of interconnecting with an IXC. (5)

- The public interest would be disserved by a local service territory definition that impedes service offerings of mobile carriers. (5-6)
- Any equal access obligations should minimize the economic burdens associated with compliance. The significant economic burdens could threaten the continued provision of service to the public. (6)

LEC/CMRS interconnection:

- The current system of good faith negotiations will likely result in service arrangements that are better tailored to interconnection needs than a tariff rate structure. If the Commission aggressively prohibits carriers from offering unreasonably discriminatory rates, the negotiation process should produce favorable results. (6-7)

CMRS/CMRS interconnection:

- Opposes imposition of CMRS-to-CMRS interconnection obligations. It is illogical to assume that subscribers of local SMR systems are willing to pay for the ability to directly interconnect with other services. (7)
- The CMRS marketplace will function as a regulator of interconnection arrangements. Imposition of interconnection obligations is premature at this stage. (7)
- If the Commission does impose interconnection obligations, it should do so on a service-by-service basis. (7)

CMRS resale obligations:

- If the Commission does impose resale obligations, these should only apply to services similar to cellular. There is no basis for mandatory resale obligations for local SMR service. (8)

FIRST CELLULAR OF MARYLAND, INC.

Interest: Nonwireline cellular carrier.

Equal access:

Cellular equal access:

- Opposes the imposition of equal access requirements upon independent cellular providers for the following reasons:
 - There are no historic or other public policy justifications for imposing equal access upon independent cellular providers, as independent cellular carriers do not directly control local exchange facilities. Moreover, the competitive status of the mobile services marketplace does not justify the imposition of the burden that equal access would create. (2)
 - Equal access will impose large (and unwarranted) costs on both independent cellular operators and consumers. The costs of implementing and maintaining equal access will be significant and independent carriers lacking substantial financial resources will be forced to pass such costs on to consumers or go out of business. Equal access would also foreclose the ability of independent cellular carriers to obtain volume discounts from IXC's. (3)
 - Equal access will stunt the development of the independent cellular industry by discouraging investments in seamless wide-area systems, creating disincentives for further improvements, and hampering cellular operators' ability to compete against other wireless providers. (3-4).
 - Equal access will yield no countervailing public policy benefits, as imposition will decrease investment in and upgrading of cellular networks. In addition, most evidence suggests that cellular customers do not desire equal access. (4)

FLORIDA CELLULAR RSA LIMITED PARTNERSHIP

Interest: Nonwireline cellular carrier.

Equal access:

Cellular equal access:

- Opposes the imposition of equal access obligations on cellular providers at this time for the following reasons:
 - There appears to be no legal basis for imposing equal access requirements on non-BOC cellular service providers. (2)
 - There appears to be no demand for equal access in the cellular markets. Any customer that desires to use an alternate carrier can do so by dialing the local access code of the designated long distance carrier. (2)
 - It has not been conclusively demonstrated that subscribers are paying premium rates. In fact, average toll charges for Florida Cellular customers are lower than otherwise available through the local exchange carrier. (2-3)
 - There would be significant costs associated with providing mandatory equal access which would be absorbed at least in part by subscribers, even though it has not been demonstrated that equal access is of value to subscribers. (3)
 - Equal access would exacerbate the difficult and costly problem of fraud that has plagued the cellular industry. Costs associated with fraud would have to be shared by subscribers. (3)
 - Although wireless service providers may in the future compete in the local exchange market, it is unwise to premise a policy on unknown future conditions. Should in the future wireless service providers become competitors in the local exchange marketplace, the matter of equal access may be revisited at such time. (3)

Equal access for other CMRS providers:

- Believes that if equal obligations are imposed upon cellular service providers they should be imposed on all similarly situated CMRS providers. (2)

GTE SERVICE CORPORATION

Interest: Provider of a LEC cellular, air-to-ground, and paging.

Equal access:

Cellular equal access:

- Opposes cellular equal access because:
- The wireless marketplace is much more competitive today than it was 2 years ago, when the MCI petition was filed. (2-4)
- Cellular carriers do not possess bottleneck facilities, and the FCC has not found that cellular carriers exert sufficient market power to warrant mandated equal access. (4-6, 22-23)
- The cellular market is actually highly competitive, with substantial barriers to collusion, as is evidenced by GTE's history of offering innovative new services. (24-27)
- Three-quarters of the nation's cellular users are served by an RBOC or McCaw/ATT and are therefore already provided with "1+" equal access service. (7)
- The remainder of the populace can access their IXC of choice through 800 and 950 numbers, and 10XXX code dialing arrangements. These options are already available and will cost nothing to implement while GTE estimates that it alone will spend \$23,000,000 to implement equal access. (7-9, 16)
- Mandatory equal access would cause mobile carriers to shrink down their large (and expanding) toll-free calling areas, a development which mobile users will find to be unsatisfactory. (9-12)
- Full implementation of "1+" equal access is technically impossible because: IXC handoff can not occur when a call begins in one LATA and the caller then moves into another LATA or another state; all areas must be equipped with IS-41 technology in order for roamers to get full equal access; and IXCs do not accept

automatic number identification from outside the area where the call originated. (13-15)

- Customers do not want equal access. (15-16)
- Competition, not government mandates, will lead to better CMRS products. (17)
- Any reduction in long distance rates due to equal access will be more than swallowed up by the costs of implementation, which must eventually be passed on to the consumer. (16, 17-19)

Equal access for other CMRS providers:

- Given how competitive the CMRS marketplace is about to become, market forces should be allowed to dictate the future of CMRS equal access. (27-29)
- Air to ground (ATG) equal access is unnecessary and technologically infeasible because:
 - There are already three ATG providers, and customers can use their IXC of choice through 800 or 950 dialing. (30-31)
 - Because ATG is essentially a public pay phone (except on private aircraft, which represents a very small market share), it is impossible to know which IXC any given customer has chosen. (31-32)
 - Foreign ground stations do not support presubscribed or 10XXX equal access, and most airphone equipment is incompatible with 10XXX equal access. (32-33, 35-37)
 - ATG operators would be forced to reveal proprietary network architecture information to IXCs. (34-35).

LEC/CMRS interconnection:

- Favors the continuation of good faith negotiation of LEC/CMRS interconnection agreements and opposes tariffing for the following reasons:

- Good faith contractual negotiation allows wireless carriers the flexibility to obtain the specific interconnection they need. (39-41)
- Tariffed interconnection would harm small carriers and new entrants. (41-42)
- Tariffs would add unnecessary administrative costs to interconnection arrangements without providing the benefit of fulfilling carriers' exact needs. (42)
- Sufficient regulation already exists to protect against discrimination in interconnection agreements. (43)
- A "most favored terms" guarantee is unnecessary for interconnection contracts between LECs and CMRS carriers, and may actually have adverse results. (44-45)
- Interconnection agreements between LECs and CMRS carriers need not be filed with the FCC because the costs of such a requirement far outweigh any benefits it might provide. (45)

CMRS/CMRS interconnection:

- Market forces, rather than regulation, should determine interconnection among CMRS providers. (46)
- CMRS resellers should not be permitted to connect directly to the switches of CMRS licensees. Direct connection would not provide any benefits to end-user and would result in increased costs. (46-47)

CMRS resale obligations:

- Favors the imposition of resale obligations upon all CMRS providers except air-to-ground (ATG) providers. Significant technological limitations that distinguish ATG service from cellular and other CMRS systems make resale impossible for ATG providers. Furthermore, resale obligations will impede healthy ATG competition. (47-53)

GENERAL SERVICES ADMINISTRATION (GSA)

Interest: Federal agency vested with the responsibility for providing telecommunications services for use of the Federal Executive Agencies. (8)

Equal Access:

Cellular equal access:

- Favors cellular equal access in order to promote competition. (3)

Equal access for other CMRS providers:

- Favors CMRS equal access in order to promote competition. (3)

Implementation:

- Favors the promulgation of presubscription and balloting rules. (4)
- Would allow carriers to propose their own implementation schedule. (4)

LEC/CMRS interconnection:

- Favors tariffing because over the past 14 years, many LECs and CMRSs have proven incapable of negotiating interconnection agreements. (6)

CMRS/CMRS interconnection:

- In order to build a more robust national communications network, and reduce reliance upon LEC switching, CMRS/CMRS interconnection should be required. (7)
- Favors tariffing of CMRS/CMRS interconnection in order to bring order to the interconnection process. (7)

CMRS resale obligations:

- Favors CMRS resale obligations in order to allow new CMRS entrants to stay in business through resale while building out their infrastructure. (7)

GEOTEK COMMUNICATIONS, INC.

Interest: Specialized Mobile Radio provider. (1-2)

Equal access:

Equal access for other CMRS providers:

- SMR service providers that do not compete with cellular service providers should not be required to provide equal access. (3)
- The SMR service provided by Geotek does not compete with cellular or cellular-like SMR providers. (3)
- 900 MHz SMR providers generally offer "one-to-many" dispatch services which do not compete against cellular and Enhanced SMR services which provide "one-to-one" telephony. (4)
- SMR customers are not interested in telephony or long distance features, but in dispatch service at low cost. Equal access requirements would only increase the price of service for these dispatch customers. (5)
- SMR providers lack market power and do not control bottleneck facilities. (5-6)
- If imposed, equal access requirements would cause SMR service providers to incur disproportionately higher costs. While cellular providers already have the necessary switches, SMRs would have to replace their PBX switches, which are incapable of providing equal access, at great cost. The costs of maintaining links to long distance providers would be an onerous burden for SMR providers and would raise prices for SMR consumers. (6-9)
- Equal access will make it difficult for SMR providers to get bulk-rate long distance discounts. This may make the price of service more expensive for those SMR consumers who do use long distance services. (8-9)

LEC/CMRS interconnection:

- The Commission should treat all CMRS providers as co-carriers and interconnection obligations should be implemented through negotiated contracts. (10)

GRAND BROADCASTING CORPORATION

Interest: Developer of an IBRS/MEMS (Interactive Broadcast Radio Service/Mobile Electronic Mailbox Service) system.

CMRS/CMRS interconnection:

- Favors interconnection because:
- Grand Broadcasting has requested a pioneers preference for an IBRS/MEMS which will make voice and data services accessible to consumers through a single handset device. (3)
- The IBRS/MEMS will "piggy back" a data signal at 900 MHz onto the cellular telephone voice signal. (5)
- RBOC/GTE and interexchange carrier cellular radio licensees would also like to provide IBRS/MEMS. (3, 7)
- RBOC/GTE and interexchange carrier cellular radio licensees are the entities most likely to have the resources to purchase the regional IBRS/MEMS licenses at auction. (2, 7)
- Grand Broadcasting needs access to the cellular system (i.e. access to transceivers, base stations, LEC links) of each of RBOC/GTE's regional competitors in order to compete with RBOC/GTE in the IRS/MEMS field. (3, 9)

HIGHLAND CELLULAR, INC.

Interest: Non-wireline cellular carrier.

Equal Access:

Cellular equal access:

- If small, non-wireline companies are forced to offer customers a choice of long-distance services, significant costs would end up being passed on to customers. Many independent cellular companies do not have the financial resources to spread the costs of implementing and maintaining IXC access. (2)
- Highland has experienced no demand for equal access in its cellular market. Even if there were demand, the customer does have access to alternate carriers by dialing the local access code of its long distance carrier. (2)
- Highland offers its cellular customers "toll free service areas" larger than the local exchange area. As a result, average toll charges for customers are lower than those of the LEC. Equal access would cause Highland's customers to incur higher costs for service beyond the RSA. (3)
- Equal access will stunt the development of the independent cellular industry, raise the costs of operators and charges to consumers, and decrease investment in upgrading cellular networks. (3)

HORIZON CELLULAR TELEPHONE

Interest: Non-wireline cellular carrier.

Equal access:

Cellular equal access: Opposes because independent cellular companies do not control the bottleneck that led to the imposition of equal access on the BOCs. Instead, cellular carriers face vigorous competition from all sectors of the interexchange marketplace. Cellular equal access would not remedy any competitive imbalance but would impose substantial costs, impair competition in the interexchange resale market, and disadvantage consumers. (1)

LAKE HURON CELLULAR CORPORATION

Interest: Cellular provider.

Equal access:

Cellular equal access:

- The Commission should not impose equal access requirements on independent cellular carriers. Such requirements would create a large economic burden for independents without creating countervailing public benefits. (1-2)
- MFJ restrictions imposed on the RBOCs should not be extended to independent cellular carriers, which are not parties to the MFJ. Increasing competition in the cellular marketplace also counsels against imposing equal access requirements on independent carriers. (2)
- The cost of maintaining equal access will be significant. In addition, small and independent cellular carriers rely on long distance revenues to provide competitively priced services, and equal access will foreclose the ability of independents to obtain volume discounts from IXC's. (3)
- Equal access obligations will discourage investment in new infrastructure. (3)
- Equal access will result in the transfer of wealth from independent cellular operators to large IXC's, such as AT&T and Sprint. (4)

LDDS COMMUNICATIONS INC., D/B/A LDDS/METROMEDIA

Interest: Long distance carrier.

Equal access:

Cellular equal access: The FCC should mandate equal access for cellular service providers.

- The IXC is likely to be the mobile vendor's own affiliated service so without FCC action wireless carriers will continue to deny their customers access to other carriers. (3-4)
- There is ample evidence from several sources that wireless services are not fully competitive. Lack of competition in this market harms competition for the interexchange portion of wireless services, limiting competition by IXCs to provide service and resulting in higher prices. There is little evidence that this situation will change in the future, so the FCC should adopt rules based on current market conditions. (5-7)
- Even if local service competition develops, equal access requirements will be necessary because CMRS providers still will control access to their wireless customers. Competitive forces do not guarantee wireless users equal access to all IXCs. Even though the BOCs have been required to provide equal access with respect to their cellular operations, the BOCs' cellular competitors have not offered that option to their customers. (8-9)

Equal access for other CMRS providers: Extending equal access requirements to CMRS providers will benefit wireless customers. Equal access allowed the emergence of competition in the long distance industry, which has resulted in more diverse, higher quality services at lower prices. (10-11)

- Equal access can bring several important benefits to wireless users, such as customer choice of long distance providers and thus service options and pricing plans, and access to the full array of service choices that wireline customers enjoy. Equal access for CMRS providers will also create regulatory parity among competing carriers, ensuring that carriers compete based on service, not regulatory distinctions. (12-14)

- Claims that customers save on long distance charges because of vertical integration cannot be supported and have been explicitly rejected by the Department of Justice. (14-15)
- Equal access for CMRS providers can be implemented quickly and easily. Only non-BOC and non-McCaw systems will be affected by this action because all other carriers are already subject to equal access.

Implementation: The basic requirements for CMRS equal access should mirror landline equal access rules: CMRS providers must be prohibited from discriminating among interexchange carriers in the rates, terms, and conditions of interconnection, they should be required to offer their customers access to their preferred long distance carrier through 1+ dialing, and they should be required to notify customers of their right to select the long distance provider that will carry their interexchange traffic and include a list of providers that have chosen to participate in the equal access process. The FCC must ensure that CMRS providers offer all IXCs nondiscriminatory interconnection at rates, terms and conditions no less favorable than are available to the CMRS provider's own interexchange operations. (15-16)

- Mobile vendors should not be allowed to bundle local and long distance service. To the extent that any wireless company intends to compete in the interexchange market, it at least should be subject to the unbundling rules advocated by the Justice Department. Unbundling is also pro-competitive because it creates a local service product that an IXC can purchase and resell in conjunction with its own long distance services. (17-18)
- System conversion should be phased in over a 21 month period for all cellular MSA systems, and any RSA cellular system or other CMRS system in which there has been a bona fide request for equal access. McCaw has agreed to convert its systems within this time so there is no reason smaller carriers should require more time. (18)
- Callers should be able to have equal access to long distance carriers for all 1+ traffic, whether landline or wireline originated. The FCC should make local service areas co-extensive with existing LATA boundaries, as modified by any previous waivers permitting interLATA mobile services within specified geographic areas, as has been done with

landline equal access by the MFJ. Any action taken, however, should be flexible enough to allow full 1+ presubscription for both landline and mobile services in the future. (18-19)

- Opposes larger non-equal access areas for PCS because it would create regulatory inequities among competing providers and reduce customer choices. The fact that some licenses will be for MTAs should not mean that MTAs should be the basis for equal access because the Department of Justice has demonstrated that MTAs do not reflect patterns of personal movement. (20)

CMRS Resale: The basic resale requirements for cellular carriers should be extended to other CMRS providers. To ensure that resellers have a realistic opportunity to compete, the FCC should monitor the development of CMRS resale and take action if CMRS licensees are acting anti-competitively. (21-22)